

**REMARKS BY
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**BEFORE THE
AMERICAN ASSOCIATION OF STATE
HIGHWAY AND TRANSPORTATION
OFFICIALS'
STANDING COMMITTEE ON RAIL
TRANSPORTATION MEETING**

**WASHINGTON, D.C.
MARCH 8, 2010**

Let me thank John Horsley, Gene Conti, Bill Bronti and everyone at AASHTO for inviting me to this gathering.

It's great to be here with those state DOT officials who are focused on rail. I'd like to talk today about the future of rail – freight and passenger – and the Federal Railroad Administration's role in balancing America's transportation landscape.

First, let me begin by applauding this Administration's foresight. Previous executive branch leadership gave rail short shrift and overlooked rail's many benefits in moving both goods and people.

It hasn't been since President Lincoln that we've had an administration with a vision for rail.

President Obama came into office and realized the role that rail could play as part of a balanced transportation network.

He understood the value of multi-modalism and the advantages that rail can have in certain markets in reducing fuel utilization, congestion, and noxious emissions.

Our mission now is to ensure our freight rail system grows, and remains the best in the world, as our passenger rail system offers travelers alternatives to auto and air travel.

With the Tiger Grants and the Recovery Act, the President provided the largest national investment ever in passenger rail, beginning what is a transformational time at FRA.

To fully realize his bold new vision, we are beginning with the creation of a National Rail Plan, which we will complete on schedule later this summer.

As part of the plan's formulation, we are engaging various industry and transportation stakeholders to help us design a vision for how rail – passenger and freight – assumes its rightful role as part of a balanced transportation system.

We cannot produce this document in a vacuum or these policies will not have the transformational benefits that we are hoping to achieve.

It's been a multi-agency effort. We're working with Transit, Highways, Maritime, Aviation – to help fit the pieces together so goods or people can seamlessly flow from one mode to the next, utilizing the mode that is most efficient for a particular part of a journey.

The National Rail Plan will focus on the overall transportation picture for the coming decades, including the relationship between states and the federal government regarding future rail development.

And this is a key point. The role of the states and its rail officials like you will be critical, as ultimately you are the ones who design and implement most transportation projects.

The National Rail Plan will offer states guidance on the development of their State Rail Plans.

And it will look at the building of technical capacity for all stake holders – the rail industry itself, state DOTs, FRA, engineering firms – as this industry is quickly graying together at a time when the need for skills are growing.

The need for large-scale planning is truly great now: as I mentioned before we have a freight rail system that is the envy of the world.

But it has to dovetail with high-speed rail, commuter rail, Amtrak, transit, ports, highways and airports.

The plan will offer our thoughts on improving rail safety and how to meet Department-wide goals, including the creation of livable communities, increasing transportation options, and reducing congestion.

We are also excited to present our views about where high-speed passenger rail fits into this larger equation.

To be sure, high-speed rail is not, by itself, the answer to our transportation challenges.

But, it is a key part of creating a balanced transportation system that is more efficient.

We envision the \$8 billion in grants that were announced last month to be the down payment – a first step – in a multi-decade partnership with states to improve existing passenger rail lines and create new ones that meet the needs of consumers.

It is through this partnership with states where we will ultimately be successful.

While the federal government will continue to provide funding for projects that meet Department-wide goals – including job creation, environmental benefits and reducing congestion – states and their departments of transportation will ultimately be the ones that execute.

Now I know there is a great deal of excitement among many here today about “getting money out the door” and “seeing dirt turned” this construction season for our most recent round of grants.

And FRA and our DOT partners are rising to the occasion.

Staff will be speaking to you a little later about our efforts to “fast track” projects and the help we will need from our state partners to make this effort successful.

In addition, two new rounds of additional funding will be announced the end of March.

We’ll be announcing availability of \$50 million worth of 80/20 matching planning grants for inter-city passenger rail and also \$65 million of 50/50 matching project grants.

And availability of approximately \$2.5 billion, for high-speed intercity rail projects will be announced by early summer. These funds will be 80/20 matching grants.

States will need to provide the ongoing financial backing, political leadership, and sound operational plans necessary, to see these large projects through to completion.

Our program may be funded at the federal level in the beginning, but states will be leading the effort.

And, FRA will be a key member of the partnership.

We will work with states as they produce their own rail plans and look for them to expand their capacity to manage large rail programs.

Just as we are looking to the future with our own National Rail Plan, we are also adding staff and resources at FRA and moving beyond our traditional role as a safety oversight agency.

The rebalancing of resources that is happening at the federal level, with increased resources for freight and passenger rail, should also occur at the state level.

You cannot balance a transportation network without balancing resources.

The excellent work to build and maintain our highway and airway networks must now be mirrored in our efforts to raise rail's profile across this nation.

Remember, large national endeavors – like the interstate highway system, the Apollo missions to the moon, or the creation of our National Parks – are visionary propositions that required years of work and often uncertain funding.

But, when completed, these big initiatives have consistently yielded enormous benefits for our nation.

So let's have this level of vision and excitement as we work together to achieve America's rail renaissance.

I hope that you will join with me in bringing the President's vision to reality.

Thank you.